

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

DURRANI INVESTMENTS CORP.,  
Plaintiff,  
v.  
DANNY V. STOLBA, *et al.*,  
Defendants.

Case No. 2:24-cv-07311-FLA (BFMx)

**ORDER TO SHOW CAUSE WHY  
ACTION SHOULD NOT BE  
DISMISSED FOR LACK OF  
SUBJECT MATTER JURISDICTION**

1 Federal courts are courts of “limited jurisdiction,” possessing only “power  
2 authorized by the Constitution and statute[.]” *Kokkonen v. Guardian Life Ins. Co. of*  
3 *Am.*, 511 U.S. 375, 377 (1994); U.S. Const. art. III, § 2, cl. 1. Courts are presumed to  
4 lack jurisdiction unless the contrary appears affirmatively from the record. *See*  
5 *DaimlerChrysler Corp. v. Cuno*, 547 U.S. 332, 342 n. 3 (2006). Additionally, federal  
6 courts have an obligation to examine jurisdiction sua sponte before proceeding to the  
7 merits of a case. *See Ruhrgas AG v. Marathon Oil Co.*, 526 U.S. 574, 583 (1999).

8 Federal courts have jurisdiction where an action arises under federal law or  
9 where each plaintiff’s citizenship is diverse from each defendant’s citizenship and the  
10 amount in controversy exceeds \$75,000, exclusive of interest and costs. 28 U.S.C.  
11 §§ 1331, 1332(a). A complaint filed in federal court must contain “a plausible  
12 allegation that the amount in controversy exceeds the jurisdictional threshold.” *Dart*  
13 *v. Cherokee Basin Operating Co., LLC v. Owens*, 574 U.S. 81, 89 (2014). Where a  
14 party contests, or a court questions, a party’s allegations concerning the amount in  
15 controversy, both sides shall submit proof, and the court must decide whether the  
16 party asserting jurisdiction has proven the amount in controversy by a preponderance  
17 of the evidence. *Id.* at 88–89; *see* Fed. R. Civ. P. 12(h)(3) (“If the court determines at  
18 any time that it lacks subject-matter jurisdiction, the court must dismiss the action.”).  
19 The same procedures apply when the existence of complete diversity of the parties is  
20 called into question. *See, e.g., Verb Tech. Co. v. Baker & Hostetler LLP*, Case No.  
21 2:21-cv-06500-ODW (MAAx), 2021 WL 4125207 at \*1 (C.D. Cal. Sept. 9, 2021).

22 The court has reviewed the Complaint and is presently unable to conclude it has  
23 subject matter jurisdiction over this action under 28 U.S.C. § 1332(a). In particular,  
24 and without limitation, the Complaint does not state sufficient facts to establish there  
25 is complete diversity between the parties. *See* Dkt. 1. While Plaintiff alleges  
26 Defendant’s principal business office is located in New Jersey, Plaintiff does not plead  
27 facts regarding the citizenship or domicile of Defendant, who is an individual. *See id.*


28 ¶ 2.

1 Accordingly, the parties are ORDERED to SHOW CAUSE, in writing only,  
2 within fourteen (14) days from the date of this Order, why this action should not be  
3 dismissed for lack of subject matter jurisdiction. The parties are encouraged to submit  
4 evidence and/or judicially noticeable facts in response to the court's Order.  
5 Responses shall be limited to five (5) pages in length. The parties should consider this  
6 Order to be a two-pronged inquiry into the facial and factual sufficiency of Plaintiff's  
7 demonstration of jurisdiction. *See Leite v. Crane Co.*, 749 F.3d 1117, 1122 (9th Cir.  
8 2014).

9 As Plaintiff is the party asserting federal jurisdiction, Plaintiff's failure to  
10 respond timely and adequately to this Order shall result in dismissal of the action  
11 without further notice.

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13 IT IS SO ORDERED.

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15 Dated: October 18, 2024

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18 FERNANDO L. AENLLE-ROCHA  
19 United States District Judge  
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